

GRACE PUBLIC FUND

October 31, 2002

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Dear Mr. Lesar:

We strongly urge the Nuclear Regulatory Commission not to violate its own licensing regulations by allowing Louisiana Energy Services (LES), a potential license applicant for the proposed uranium enrichment facility in Hartsville, TN to establish its own procedural guidelines and licensing parameters. Not only would this move give the appearance of impropriety by assuring a favorable ruling for LES in advance, it would also give lie to any semblance of objectivity in the agency's licensing practices, and in appeals before the Atomic Safety and Licensing Board.

Many critical matters of public concern are at stake, including environmental impact, financial qualifications of the LES consortium, foreign control and anti-trust issues, and the disposition of radioactive waste. LES' request that the NRC "resolve" these issues even before it submits a license application is a transparent attempt to limit effective public participation in the hearings, and to pre-certify in its favor the very issues that it failed in prior hearings to establish elsewhere, by reason of vigorous public opposition. In 1997, LES became the first and only entity ever to have been denied a license by the NRC, based on its record of environmental racism in site location.

The nuclear power industry has dissembled about the extreme environmental negligence posed by uranium enrichment facilities in the past. Abuses have included the routine spillage of radioactive and carcinogenic contaminants into nearby groundwater, the deliberate dumping of toxic waste into fields and landfills, and the outpouring of over 60,000 pounds of wastewater with radioactive uranium into the Ohio River.

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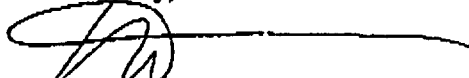
Compounding these risks is the enormous amount of waste generated by such plants, whose radioactive half-life is several million years. The proposed enrichment plant for which LES seeks special treatment would create 7,600 new tons of radioactive and corrosive waste per year. This is on top of the one billion pounds of depleted uranium for which the U.S. already has no place or means of safe disposal. LES is attempting to do an end run around the public's right to bring up the waste disposal issue at hearings, by seeking to shift responsibility for a "solution," (and the prohibitive costs of same) onto the U.S. Dept. of Energy, and ultimately, the taxpayer.

Post September 11th, the national security risk posed by this potential inventory of depleted uranium ought to be of paramount concern to the NRC. A successful breach of the LES facility may not only cause damage to the plant itself, but also a disruption of fuel supplies to nuclear reactors. Transport of the converted chemical form of uranium, UF₆, could provide terrorists with a ready-made "dirty bomb," and could induce widespread fear and panic. URENCO, the lead partner in LES, has an abysmal record in protecting its highly-classified records from infiltration, most notably by Pakistan and Iraq.

For these reasons, we urge the NRC not to capitulate to the profiteering motives of energy giants Entergy, Exelon, and Duke---all members of the LES consortium---by giving them carte blanche licensing privileges without the demonstrable need for such a facility. Acquiescence in the further vertical integration of their uranium enrichment operations will only serve further to monopolize all stages of the nuclear power chain.

Finally, we request that the comment period on LES' application be extended to at least 90 days, in order to address the breadth and complexity of the foregoing concerns in a sufficiently meaningful manner.

Sincerely,



Leslie Seff, Director
Sustainable Energy Project
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